

2006-270-E

December 7, 2007

Mr. Charles L.A. Terreni Chief Clerk/Administrator South Carolina Public Service Commission 101 Executive Center Dr., Suite 100 Columbia, South Carolina 29210

Dear Mr. Terreni:

In compliance with the Public Service Commission's Order No. 18,100 in Docket No. 17,134 dated January 15, 1975; a request from the Executive Director dated September 30, 1987; Order Nos. 88-864 and 88-971 in Docket No. 88-11-E; and the officer verification certification enacted by the Commission on December 17, 2002, Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. submits the following information per its books and as adjusted for the 12-month period ending September 30, 2007:

- 1. Officer verification certificate
- 2. System Rate of Return on Rate Base Exhibit A1
- 3. South Carolina Rate of Return on Rate Base Exhibit A2
- 4. Return on Common Equity (Allocated to South Carolina Retail) Exhibit B
- 5. Earnings Per Share on Progress Energy's Common Stock \$2.57
- 6. Debt Coverage Ratio or Earnings to Fixed Charges 4.49 times

The allocations and adjustments required to determine the information requested in the Commission's orders and request are in general accordance with the allocation methodology described by the Commission in our most recent general rate case (Docket No. 88-11-E, Order No. 88-864). The level of detail encompassed in this report is not sufficient for ratemaking purposes.

Attached is a copy of this report, which I request that you stamp and return to me. If you have any questions, please call me at 919-546-7091.

Sincerely,

Michele de Lyon

Principal Business Financial Analyst Progress Energy Service Company

in chill delan

21450

c: John Flitter

Enclosure

Progress Energy Service Company, LLC P.O. Box 1:551 Baleigh, N.C. 27(-2

PROGRESS ENERGY CAROLINAS SC QUARTERLY REPORT PER BOOKS AND ADJUSTED COS STUDY FOR THE TEST YEAR ENDED SEPTEMBER 30, 2007

SYSTEM TOTAL - ELECTRIC OPERATIONS

		THE THECTRIC OF	PERATIONS
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
(1)	(2)	/3\	/
	\$	(3) ¢	(4)
	₩	\$	\$
NET OPERATING REVENUE	4,320,275,485	(85,143,601)	4,235,131,884
OPERATING EXPENSE:			
NET O&M EXPENSES	2,409,485,768	/24 (24 052)	
DEPRECIATION		(34,631,853)	2,374,853,915
TAXES (OTHER THAN INCOME)	743,529,261	33,449,130	776,978,391
INCOME TAX - STATE	199,990,266	(2,115,097)	197,875,169
INCOME TAX - FEDERAL	40,516,943	(9,781,036)	30,735,907
DDOM EOD DESERBED MANAGE	272,574,303	(37,643,189)	234,931,114
PROV. FOR DEFERRED TAXES	(19,910,358)	28,780,385	8,870,027
INVESTMENT TAX CREDIT	(5,733,012)	· · · · · -	(5,733,012)
MOMENT CORDS MINE	~		(0),00,000,
TOTAL OPERATING EXPENSE	3,640,453,171	(21,941,660)	3,618,511,511
INCOME FOR RETURN:			
OPERATING INCOME	670 000 014	/== === = = =	
CUSTOMER GROWTH	679,822,314	(63,201,941)	616,620,373
INTEREST ON CUST. DEPOSITS	6,769,724	(629,370)	6,140,354
HARRIS DEFERRAL AMORT.	(3,727,415)	-	(3,727,415)
HARRIS DEFERRAL APPORT.	-	~	-
TOTAL INCOME FOR RETURN	682,864,623	(63,831,311)	619,033,312
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	14,732,701,924	100 000 000	
PLANT HELD FOR FUTURE USE		166,060,838	14,898,762,762
RESERVE FOR DEPRECIATION	2,423,484	*** *** ***	2,423,484
	(7,794,946,409)	281,274,265	(7,513,672,144)
NET PLANT IN SERVICE	6,940,178,999	447 225 102	
NUCLEAR FUEL INVENTORY	255,022,411	447,335,103	7,387,514,102
DEFERRED TAXES - LIB. DEPR.		-	255,022,411
REGULATORY ASSETS	(632,806,203)	149,547,965	(483,258,238)
WORKING CAPITAL:	103,935,660	(76,927,628)	27,008,032
MATERIALS & SUPPLIES	0:: 130 310		
CASH WORKING CAPITAL	844,132,318	(255,456,021)	588,676,297
	453,395,682	-	453,395,682
UNCLAIMED REFUNDS	(7,575)	-	(7,575)
PREPAYMENTS	496,698	_	496,698
TAX ACCRUALS	(149,078,975)	-	(149,078,975)
CUSTOMER DEPOSITS	(67,513,346)	_	(47 E12 246)
OPERATING RESERVES	(591,636,538)	_	(67,513,346)
CUSTOMER ADVANCES FOR CONSTR.	(29,985,478)	_	(591,636,538)
UNAMORTIZED PROJECTS	-	-	(29,985,478)
TOTAL WORKING CAPITAL	459,802,786	- (255,456,021)	- 204,346,765
TOTAL RATE BASE			
-	7,126,133,653	264,499,419	7,390,633,072
RATE OF RETURN (%)	9.58		0.00
	2.00		8.38

PROGRESS ENERGY CAROLINAS SC QUARTERLY REPORT PER BOOKS AND ADJUSTED COS STUDY FOR THE TEST YEAR ENDED SEPTEMBER 30, 2007

S.C. RETAIL TOTAL - ELECTRIC OPERATIONS

DESCRIPTION PER BOOKS ADJUSTMENTS ADJUSTMENTS (1) (2) (3) (4) \$ \$ \$ \$ \$ \$ \$ NET OPERATING REVENUE 537,480,115 8,236,078 545,716,193 OPERATING EXPENSE: NET OAM EXPENSES NET OAM EXPENSES S S DEPRECIATION 62,252,558 1,553,680 66,806,238 17AXES (OTHER THAN INCOME) 10,000 TAX - FRDERAL 11,000 TAX - STATE 5,589,173 10,000 TAX - STATE 5,589,173 10,000 TAX - STATE 5,589,173 10,000 TAX - STATE 10,657,666 10,000 TAX - STATE						
NET OPERATING REVENUE 537,480,115 8,236,078 545,716,193 OPERATING EXPENSE: NET OAM EXPENSES 385,850,463 (6,092,858) 379,757,605 DEPRECIATION 62,252,558 4,553,680 66,806,238 TAXES (OTHER THAN INCOME) 62,252,558 4,553,680 66,806,238 TAXES (OTHER THAN INCOME) 5,589,173 989,530 6,578,703 INCOME TAX - FEDERAL 4,755,578 8,442,988 13,198,566 FNOV. FOR DEFERRED TAXES (12,532,237) 2,874,571 (9,657,666) FNOV. FOR DEFERRED TAXES (12,532,237) 2,874,571 (9,657,666) INVESTMENT TAX CREDIT (818,521) (818,521) TOTAL OPERATING EXPENSE 465,888,202 10,919,384 476,807,586 INCOME FOR RETURN: OPERATING INCOME 71,591,913 (2,683,306) 68,908,607 CUSTOMER GROWTH 230,415 (8,636) 221,779 INTEREST ON CUST. DEPOSITS (346,631) (346,631) (346,631) FARRIS DEFERRAL AMORT. (346,631) (346,631) TOTAL INCOME FOR RETURN 71,475,697 (2,691,942) 68,783,755 RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE 349,056 (1,121,754,592) 39,753,075 (1,082,001,517) NET PLANT IN SERVICE 1,004,744,710 (3,670,960 1,068,415,670) NUCLEAR FUEL INVENTORY 36,786,842 36,786,842 DEFFERRED TAXES - LIB. DEPR. (102,074,977) 13,167,708 (88,907,269) REGILATORY ASSETS 17,983,873 (11,079,952) 6,903,921 MATERIALS & SUPPLIES (10,074,977) 13,167,708 (88,907,269) REGILATORY ASSETS 17,983,873 (11,079,952) 6,903,921 MORKING CABITAL: (10,02,758) (11,022,758) CUSTOMER ADVANCES FOR CONSTR. (10,02,758) (11,022,758) CUSTOMER ADVANCES FOR CONSTR. (11,022,758) (11,022,758) CUSTOMER ADVANCES FOR CONSTR. (13,992,524) (11,022,758) TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208			ADJUSTMENTS			
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DEPRECIATION 62,252,558 4,553,680 66,806,238 TAXES (OTHER THAN INCOME) 20,791,188 151,473 20,942,661 INCOME TAX - STATE 5,589,173 989,530 6,578,703 INCOME TAX - FEDERAL 4,755,578 8,442,988 13,198,566 INVESTMENT TAX CREDIT (818,521) 2,874,571 (9,657,666) INVESTMENT TAX CREDIT (818,521) 2,874,571 (9,657,666) INVESTMENT TAX CREDIT (818,521) 2,874,571 (9,657,666) INCOME FOR RETURN: OPERATING EXPENSE 465,888,202 10,919,384 476,807,586 INCOME FOR RETURN: OPERATING INCOME 71,591,913 (2,683,306) 68,908,607 CUSTOMER GROWTH 230,415 (8,636) 221,779 INTEREST ON CUST. DEPOSITS (346,631) - (346,631) HARRIS DEFERRAL AMORT. (346,631) - (346,631) TOTAL INCOME FOR RETURN 71,475,697 (2,691,942) 68,783,755 RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE 349,056 RESERVE FOR DEPRECIATION (1,121,754,592) 39,753,075 (1,082,001,517) NET PLANT IN SERVICE 1,004,744,710 63,670,960 1,068,415,670 NUCLEAR FUEL INVENTORY 36,786,842 DEFERRED TAXES - LIB. DEPR. (102,074,977) 13,167,708 (88,907,269) WORKING CAPITAL: 69,602,727 - 69,602,727 UNCLAIMED REFUNDS 10,246,325,346,346,346,347 TAX ACCRUALS (18,122,245) - (18,122,245) CUSTOMER ADVANCES FOR CONSTR. (3,992,524) UNAMORIZED PROJECTS TOTAL VARIE BASE 1,018,533,761 43,442,447 1,061,976,208 RATE OF RETURN (%)						
DEPERCIATION 62,252,558 4,553,680 66,806,238 TAXES (OTHER THAN INCOME) 20,791,188 151,473 20,942,661 INCOME TAX - STATE 5,589,173 989,530 6,578,703 INCOME TAX - FEDERAL 4,755,578 8,442,988 13,198,566 INVESTMENT TAX CREDIT (818,521) 2,874,571 (9,657,666) INVESTMENT TAX CREDIT (818,521) 2,874,571 (9,657,666) INVESTMENT TAX CREDIT (818,521) 2,874,571 (9,657,666) INVESTMENT TAX CREDIT (818,521) TOTAL OPERATING EXPENSE 465,888,202 10,919,384 476,807,586 INCOME FOR RETURN: OPERATING INCOME 71,591,913 (2,683,306) 68,908,607 CUSTOMER GROWTH 230,415 (8,636) 221,779 INTEREST ON CUST. DEPOSITS (346,631) (8,636) 221,779 INTEREST ON CUST. DEPOSITS (346,631) (346,631) HARRIS DEPERRAL AMORT. (346,631) TOTAL INCOME FOR RETURN 71,475,697 (2,691,942) 68,783,755 RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE 2,126,150,246 23,917,885 2,150,068,131 349,056 RESERVE FOR DEPRECIATION (1,221,754,552) 39,753,075 (1,082,001,517) NET PLANT IN SERVICE 1,004,744,710 63,670,960 1,068,415,670 NUCLEAR FUEL INVENTORY 36,786,842 DEPERRED TAXES - LIB. DEPR. (102,074,977) 13,167,708 (88,907,269) REGULATORY ASSETS 17,983,873 (11,079,952) 6,903,921 WORKING CAPITAL: 69,602,727 - 9,602,727 UNCLAIMED REFUNDS - 10,844,325,687) (18,122,245) CUSTOMER DEPOSITS (11,022,758) - (18,122,245) CUSTOMER DEPOSITS (11,022,758) - (18,122,245) CUSTOMER DEPOSITS (11,022,758) - (10,022,758) OPERATING RESERVES (84,325,687) - (18,22,245) CUSTOMER ADVANCES FOR CONSTR. (1,092,052)		385,850,463	(6 092 950)	200 555 555		
INCOME TAX - STATE						
INCOME TAX - STATE	TAXES (OTHER THAN INCOME)					
NCOME TAX - FEDERAL	INCOME TAX - STATE					
PROV. FOR DEFERRED TAXES INVESTMENT TAX CREDIT (818,521) TOTAL OPERATING EXPENSE (818,521) TOTAL INCOME FOR RETURN: OPERATING INCOME CUSTOMER GROWTH (230,415 (8,636) 221,779 INTEREST ON CUST. DEPOSITS (346,631) (8,636) 221,779 INTEREST ON CUST. DEPOSITS (346,631) (8,636) HARRIS DEFERRAL AMORT. TOTAL INCOME FOR RETURN 71,475,697 (2,691,942) 68,783,755 RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE ELECTRIC PLANT IN SERVICE (1,121,754,592) PLANT HELD FOR FUTURE USE (1,121,754,592) A9,056 RESERVE FOR DEPRECIATION (1,121,754,592) NET PLANT IN SERVICE 1,004,744,710 MCLEAR FUEL INVENTORY (102,074,977) A1,167,708 REGULATORY ASSETS 17,983,873 (11,079,952) MORKING CAPITAL: MATERIALS & SUPPLIES CASH WORKING CAPITAL (69,602,727 UNCLAIMED REFUNDS PREPAYMENTS 108,872,516 CUSTOMER DEPOSITS (11,002,758) OPERATING RESERVES (11,002,758) OPERATING RESERVES (12,018,524) (13,992,524) TOTAL WORKING CAPITAL (10,02,758) OPERATING RESERVES (11,002,758) OPERATING RESERVES (12,018,533,761 A3,442,447 A3,442,447 A1,061,976,208 RATE OF RETURN (*)	INCOME TAX - FEDERAL	•				
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TOTAL OPERATING EXPENSE 465,888,202 10,919,384 476,807,586 INCOME FOR RETURN: OPERATING INCOME 71,591,913 (2,683,306) 68,908,607 CUSTOMER GROWTH 230,415 (8,636) 221,779 INTEREST ON CUST. DEPOSITS (346,631) - (346,631) HARRIS DEFERRAL AMORT (346,631) TOTAL INCOME FOR RETURN 71,475,697 (2,691,942) 68,783,755 RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE 349,056 349,056 RESERVE FOR DEPRECIATION (1,121,754,592) 39,753,075 (1,082,001,517) NET PLANT IN SERVICE 1,004,744,710 63,670,960 1,068,415,670 NUCLEAR FUEL INVENTORY 36,786,842 36,786,842 DEFERRED TAXES - LIB. DEPR. (102,074,977) 13,167,708 (88,907,269) WORKING CAPITAL: MATERIALS & SUPPLIES 108,872,516 (22,316,267) 86,556,249 CASH WORKING CAPITAL 69,602,727 - 69,602,727 UNCLAIMED REFUNDS PREPAYMENTS 81,284 - 81,284 CUSTOMER DEPOSITS (11,022,758) OPERATING RESERVES (84,325,687) - (18,122,245) UNCHAING RESERVES (84,325,687) - (84,325,687) UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208	INVESTMENT TAX CREDIT		2,874,571			
TOTAL OPERATING EXPENSE 465,888,202 10,919,384 476,807,586 INCOME FOR RETURN: OPERATING INCOME 71,591,913 (2,683,306) 68,908,607 CUSTOMER GROWTH 230,415 (8,636) 221,779 INTEREST ON CUST. DEPOSITS (346,631) - (346,631) HARRIS DEFERRAL AMORT. TOTAL INCOME FOR RETURN 71,475,697 (2,691,942) 68,783,755 RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE 2,126,150,246 23,917,885 2,150,068,131 PLANT HELD FOR FUTURE USE 349,056 RESERVE FOR DEPRECIATION (1,121,754,552) 39,753,075 (1,082,001,517) NET PLANT IN SERVICE 1,004,744,710 63,670,960 1,068,415,670 NUCLEAR FUEL INVENTORY 36,786,842 36,786,842 DEFERRED TAXES - LIB. DEPR. (102,074,977) 13,167,708 (88,907,269) WORKING CAPITAL: 17,983,873 (11,079,952) 6,903,921 WATERIALS & SUPPLIES 108,872,516 (22,316,267) 86,556,249 CASH WORKING CAPITAL 69,602,727 - 69,602,727 UNCLAIMED REFUNDS PREPAYMENTS 81,284 81,284 TAX ACCRUALS (18,122,245) (11,022,758) OPERATING RESERVES (11,022,758) - (111,022,758) OPERATING RESERVES (84,325,687) - (11,022,758) UNIMORTIZED PROJECTS TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208 RATE OF RETURN (%)	*** -	· · ·	-	(818,521)		
OPERATING INCOME 71,591,913 (2,683,306) 68,908,607 CUSTOMER GROWTH 230,415 (8,636) 221,779 (346,631) (346,	TOTAL OPERATING EXPENSE	165 000 000	10,919,384	476,807,586		
OPERATING INCOME 71,591,913 (2,683,306) 68,908,607 CUSTOMER GROWTH 230,415 (8,636) 221,779 (346,631) (346,	INCOME FOR RETURN:					
CUSTOMER GROWTH 230,415 (8,636) 68,908,607 INTEREST ON CUST. DEPOSITS (346,631) (346,631) (346,631) HARRIS DEFERRAL AMORT. (346,631) (346,631) TOTAL INCOME FOR RETURN 71,475,697 (2,691,942) 68,783,755 RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE 349,056 RESERVE FOR DEPRECIATION (1,121,754,592) 39,753,075 (1,082,001,517) NET PLANT IN SERVICE 1,004,744,710 63,670,960 1,068,415,670 NUCLEAR FUEL INVENTORY 36,786,842 36,786,842 DEFERRED TAXES - LIB. DEPR. (102,074,977) 13,167,708 (88,907,269) WORKING CAPITAL: MATERIALS & SUPPLIES 108,872,516 (22,316,267) 86,556,249 CASH WORKING CAPITAL 69,602,727 69,602,727 UNCLAIMED REFUNDS 7,028 PREPAYMENTS 81,284 81,284 TAX ACCRUALS (18,122,245) (11,022,758) CUSTOMER DEPOSITS (11,022,758) CUSTOMER DEPOSITS (11,022,758) CUSTOMER DEPOSITS (11,022,758) CUSTOMER DEPOSITS (3,992,524) (19,992,524) UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208		77 701 0.0				
NTERREST ON CUST. DEPOSITS 230,415 (8,636) 221,779 HARRIS DEFERRAL AMORT. 346,631) - (346,631) TOTAL INCOME FOR RETURN 71,475,697 (2,691,942) 68,783,755 RATE BASE:	-			68,908,607		
HARRIS DEFERRAL AMORT. TOTAL INCOME FOR RETURN 71,475,697 (2,691,942) 68,783,755 RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE PLANT HELD FOR FUTURE USE A49,056 RESERVE FOR DEPRECIATION (1,121,754,592) NET PLANT IN SERVICE 1,004,744,710 NUCLEAR FUEL INVENTORY 36,786,842 DEFERRED TAXES - LIB. DEPR. (102,074,977) WORKING CAPITAL: MATERIALS & SUPPLIES CASH WORKING CAPITAL OF REPAYMENTS PREPAYMENTS PREPAYMENTS OPERATING RESERVES (11,022,758) CUSTOMER DEPOSITS (11,022,758) TOTAL WORKING CAPITAL (1346,631) - (349,056 - (349		· ·	(8,636)			
TOTAL INCOME FOR RETURN 71,475,697 (2,691,942) 68,783,755 RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE PLANT HELD FOR FUTURE USE A349,056 RESERVE FOR DEPRECIATION (1,121,754,592) NET PLANT IN SERVICE 1,004,744,710 36,780,960 1,068,415,670 NUCLEAR FUEL INVENTORY 36,786,842 DEFERRED TAXES - LIB. DEPR. (102,074,977) REGULATORY ASSETS 17,983,873 WORKING CAPITAL: MATERIALS & SUPPLIES CASH WORKING CAPITAL 108,872,516 CASH WORKING CAPITAL TOTAL RACEVICE 1,004,744,710 13,167,708 13,167,708 13,167,708 11,079,952) 6,903,921 108,872,516 (22,316,267) 86,556,249 69,602,727 UNCLAIMED REFUNDS PREPAYMENTS 81,284 TAX ACCRUALS (18,122,245) CUSTOMER DEPOSITS (11,022,758) OPERATING RESERVES (84,325,687) CUSTOMER ADVANCES FOR CONSTR. (3,992,524) UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208	HARRIS DEFERRAT. AMORT	(346,631)	••			
RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE		-	-	- -		
PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE 2,126,150,246 23,917,885 2,150,068,131 PLANT HELD FOR FUTURE USE 349,056 - 349,056 RESERVE FOR DEPRECIATION (1,121,754,592) 39,753,075 (1,082,001,517) NET PLANT IN SERVICE 1,004,744,710 63,670,960 1,068,415,670 NUCLEAR FUEL INVENTORY 36,786,842 - 36,786,842 DEFERRED TAXES - LIB. DEPR. (102,074,977) 13,167,708 (88,907,269) REGULATORY ASSETS 17,983,873 (11,079,952) 6,903,921 WORKING CAPITAL: MATERIALS & SUPPLIES 108,872,516 (22,316,267) 86,556,249 CASH WORKING CAPITAL 69,602,727 - 69,602,727 UNCLAIMED REFUNDS - 69,602,727 PREPAYMENTS 81,284 - 81,284 TAX ACCRUALS (18,122,245) - (18,122,245) CUSTOMER DEPOSITS (11,022,758) - (11,022,758) OPERATING RESERVES (84,325,687) - (84,325,687) CUSTOMER ADVANCES FOR CONSTR. (3,992,524) - (3,992,524) UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208	TOTAL INCOME FOR RETURN	71,475,697	(2,691,942)	68,783,755		
PLANT HELD FOR FUTURE USE RESERVE FOR DEPRECIATION (1,121,754,592) (1,082,001,517) NET PLANT IN SERVICE NUCLEAR FUEL INVENTORY DEFERRED TAXES - LIB. DEPR. REGULATORY ASSETS WORKING CAPITAL: MATERIALS & SUPPLIES CASH WORKING CAPITAL PREPAYMENTS TAX ACCRUALS CUSTOMER DEPOSITS CUSTOMER ADVANCES FOR CONSTR. UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL FATE BASE RATE OF RETURN (%) RATE OF RETURN (%) RESULATION (1,082,001,517) 1,061,976,208 1,004,744,710 39,753,075 (1,082,001,517) 1,063,415,670 349,056 349,056 349,056 349,056 349,056 349,056 36,786,842 10,02,074,977) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 14,012,079,952) 13,167,708 (88,907,269) 14,012,079,952) 13,167,708 (88,907,269) 14,012,079,952) 13,167,708 (88,907,269) 13,167,708 (88,907,26) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (88,907,269) 13,167,708 (89,007,209) 13,167,708 (88,907,209) 13,167,708 (88,907,209) 13,167	PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE	2,126,150,246	23 917 905	2 150 250 404		
RESERVE FOR DEPRECIATION (1,121,754,592) 39,753,075 (1,082,001,517) NET PLANT IN SERVICE 1,004,744,710 63,670,960 1,068,415,670 MUCLEAR FUEL INVENTORY 36,786,842 36	PLANT HELD FOR FUTURE USE					
NET PLANT IN SERVICE NUCLEAR FUEL INVENTORY DEFERRED TAXES - LIB. DEPR. REGULATORY ASSETS WORKING CAPITAL: MATERIALS & SUPPLIES CASH WORKING CAPITAL UNCLAIMED REFUNDS PREPAYMENTS TAX ACCRUALS CUSTOMER DEPOSITS CUSTOMER DEPOSITS CUSTOMER ADVANCES FOR CONSTR. UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL 61,093,313 (22,316,267) (1,068,415,670 1,068,415,670 1,068,415,670 1,068,415,670 1,068,415,670 1,068,415,670 1,068,415,670 1,068,415,670 1,068,415,670 1,068,415,670 1,068,415,670 1,079,952) 6,903,921 1,079,952) 6,903,921 1,079,620 86,556,249 69,602,727 69,602,727 69,602,727 69,602,727 69,602,727 69,602,727 69,602,727 618,122,245) 618,122,245) 618,122,245) 611,022,758) 622,316,267) 1,061,976,208 RATE OF RETURN (%)	RESERVE FOR DEPRECIATION		39 753 075			
NUCLEAR FUEL INVENTORY NUCLEAR FUEL INVENTORY DEFERRED TAXES - LIB. DEPR. REGULATORY ASSETS WORKING CAPITAL: MATERIALS & SUPPLIES CASH WORKING CAPITAL UNCLAIMED REFUNDS PREPAYMENTS TAX ACCRUALS CUSTOMER DEPOSITS CUSTOMER DEPOSITS UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL 1,004,744,710 36,786,842 102,074,977) 13,167,708 (88,907,269) 11,079,952) 6,903,921 11,079,952) 6,903,921 11,079,952) 6,903,921 11,079,952) 6,903,921 12,316,267) 86,556,249 69,602,727 69,602,727 1,018,122,245) 1,018,533,761 1,018,533,761 1,061,976,208 RATE OF RETURN (%)	N					
DEFERRED TAXES - LIB. DEPR. (102,074,977) 13,167,708 (88,907,269) REGULATORY ASSETS 17,983,873 (11,079,952) 6,903,921 WORKING CAPITAL: MATERIALS & SUPPLIES 108,872,516 (22,316,267) 86,556,249 CASH WORKING CAPITAL 69,602,727 - 69,602,727 UNCLAIMED REFUNDS - 69,602,727 UNCLAIMED REFUNDS - 69,602,727 TAX ACCRUALS (18,122,245) - (18,122,245) CUSTOMER DEPOSITS (11,022,758) - (11,022,758) OPERATING RESERVES (84,325,687) - (84,325,687) CUSTOMER ADVANCES FOR CONSTR. (3,992,524) UNAMORTIZED PROJECTS - (3,992,524) TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208 RATE OF RETURN (%)			63,670,960			
REGULATORY ASSETS 17,983,873 (11,079,952) 6,903,921 WORKING CAPITAL: 108,872,516 (22,316,267) 86,556,249 CASH WORKING CAPITAL 69,602,727 69,602,727 UNCLAIMED REFUNDS 81,284 81,284 CUSTOMER DEPOSITS (11,022,758) (11,022,758) CUSTOMER ADVANCES FOR CONSTR. (3,992,524) UNAMORTIZED PROJECTS (3,992,524) TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 RATE OF RETURN (%)	NUCLEAR FUEL INVENTORY		-			
WORKING CAPITAL: MATERIALS & SUPPLIES CASH WORKING CAPITAL MATERIALS & SUPPLIES CASH WORKING CAPITAL MATERIALS MATERI	DEFERRED TAXES - LIB. DEPR.		13,167,708			
MATERIALS & SUPPLIES CASH WORKING CAPITAL CASH WORKING CAPITAL UNCLAIMED REFUNDS PREPAYMENTS TAX ACCRUALS CUSTOMER DEPOSITS CUSTOMER ADVANCES FOR CONSTR. UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL TOTAL RATE BASE 108,872,516 (22,316,267) 86,556,249 69,602,727 - 6		17,983,873				
CASH WORKING CAPITAL UNCLAIMED REFUNDS PREPAYMENTS TAX ACCRUALS CUSTOMER DEPOSITS OPERATING RESERVES CUSTOMER ADVANCES FOR CONSTR. UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL CONSTRACT OF RETURN (%) CASH WORKING CAPITAL 69,602,727 - (18,122,245) - (11,022,758) - (11,022,758) - (11,022,758) - (11,022,758) - (11,022,758) - (11,022,758) - (3,992,524) -				012031221		
CASH WORKING CAPITAL UNCLAIMED REFUNDS PREPAYMENTS TAX ACCRUALS CUSTOMER DEPOSITS OPERATING RESERVES CUSTOMER ADVANCES FOR CONSTR. UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL (69,602,727 - 69,602,727 - 81,284 - 81,284 - (18,122,245) - (18,122,245) - (11,022,758) - (11,022,758) - (84,325,687) - (84,325,687) - (3,992,524) - (3,992,524) TOTAL WORKING CAPITAL (61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208		108,872,516	(22,316,267)	86 556 249		
PREPAYMENTS 81,284 - 81,284 TAX ACCRUALS (18,122,245) - (18,122,245) CUSTOMER DEPOSITS (11,022,758) - (11,022,758) OPERATING RESERVES (84,325,687) - (84,325,687) CUSTOMER ADVANCES FOR CONSTR. (3,992,524) - (3,992,524) UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208 RATE OF RETURN (%)			-			
TAX ACCRUALS (18,122,245) - (18,122,245) CUSTOMER DEPOSITS (11,022,758) - (11,022,758) OPERATING RESERVES (84,325,687) - (84,325,687) CUSTOMER ADVANCES FOR CONSTR. (3,992,524) - (3,992,524) UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208 RATE OF RETURN (%)		_	-	07/002/12/		
TAX ACCRUALS (18,122,245) - (18,122,245) CUSTOMER DEPOSITS (11,022,758) - (11,022,758) OPERATING RESERVES (84,325,687) - (84,325,687) CUSTOMER ADVANCES FOR CONSTR. (3,992,524) - (3,992,524) UNAMORTIZED PROJECTS - (3,992,524) TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208 RATE OF RETURN (%)		81,284	-	91 204		
OPERATING RESERVES (84,325,687) - (11,022,758) CUSTOMER ADVANCES FOR CONSTR. (3,992,524) UNAMORTIZED PROJECTS - (3,992,524) TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208 RATE OF RETURN (%)			_			
OPERATING RESERVES (84,325,687) (11,022,758) CUSTOMER ADVANCES FOR CONSTR. (3,992,524) UNAMORTIZED PROJECTS (3,992,524) TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208 RATE OF RETURN (%)			=			
CUSTOMER ADVANCES FOR CONSTR. (3,992,524) UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208 RATE OF RETURN (%)			_			
UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL 61,093,313 (22,316,267) 38,777,046 TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208 RATE OF RETURN (%)			-			
TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208 RATE OF RETURN (%)	UNAMORTIZED PROJECTS	,,,	-	(3,992,524)		
TOTAL RATE BASE 1,018,533,761 43,442,447 1,061,976,208 RATE OF RETURN (%) 7,02				38,777,046		
RATE OF RETURN (%) 7.02 6.48	TOTAL RATE BASE					
	RATE OF RETURN (%)	7.02		6.48		

PROGRESS ENERGY CAROLINAS S.C. QUARTERLY REPORT S.C. RETAIL - RETURN ON COMMON EQUITY FOR THE TEST YEAR ENDED SEPTEMBER 30, 2007

*PER BOOKS

TOTAL COMPANY CAPITALIZATION

CAPITALIZATION				NET	
DESCRIPTION	AMOUNT \$	RATIO	S.C. RETAIL RATE BASE \$	RATE EARNED %	OPERATING INCOME \$
(1) LONG-TERM DEBT PREFERRED STOCK COMMON EQUITY	(2) 3,460,876,731 59,333,982 3,767,976,582	(3) 47.49% 0.81% 51.70%	(4) 483,701,684 8,250,123 526,581,954	(5) 5.64% 6.09% 8.30%	(6) 27,280,775 502,432 43,692,490
TOTAL CAPITALIZATION	7,288,187,295	100.00%	1,018,533,761		71,475,697

* ADJUSTED"

TOTAL COMPANY CAPITALIZATION

					NET
			S.C. RETAIL	RATE	OPERATING
DESCRIPTION	AMOUNT \$	RATIO %	RATE BASE \$	EARNED %	INCOME \$
(1) LONG-TERM DEBT PREFERRED STOCK COMMON EQUITY	(2) 3,403,948,196 59,333,982 3,673,247,077	(3) 47.70% 0.83% 51.47%	(4) 506,562,651 8,814,403 546,599,154	(5) 5.64% 6.09% 7.26%	(6) 28,570,134 536,797 39,676,825
TOTAL CAPITALIZATION	7,136,529,255	100.00%	1,061,976,208		68,783,755

CERTIFICATION

(Certification must be signed by the Chief Financial Officer)

I, Peter M. Scott III, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2007 financial results, copies of which can be obtained at http://www.sec.gov/edgar.

Peter M. Scott III

Executive Vice President and Chief Financial Officer

Progress Energy, Inc.

Date Signed

Subscribed and Sworn to before me this &

My Commission Expires:

CERTIFICATION

(Certification must be signed by the Chief Executive Officer)

I, Lloyd M. Yates, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2007 financial results, copies of which can be obtained at http://www.sec.gov/edgar.

President & Chief Executive Officer Progress Energy Carolinas, Inc.

11/27/07 Date Signed

Subscribed and Sworn to before me this 21th day of November, 200 7

Notary Public 00

My Commission Expires: